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Race Track Gambling. The bills prohibiting gambling on the tracks of authorized racing associations in New York were defeated at the regular session by a tie vote in the senate. Governor Hughes called a special session May 11, and ordered a special election in the 47th senatorial district in which there was a vacancy. The election was favorable to the governor's program and the bills were passed, the senate vote being 26 to 25. Louisiana passed a similar law after a somewhat protracted struggle. Kentucky enacted an anti-poolselling law, but exempted race tracks from its operation.

JOHN A. LAPP.

Railroad Tri-partnerships. A bill (house no. 1080), modeled after the English plan and entitled, "An act to establish a partnership among the consumers, capitalists, and workers of certain railroads and street railways," has been introduced in the Massachusetts legislature. Its object is to provide for the sliding scale between the corporation and the customers and coöperation for the workers, and is made to apply to all railroad companies which have had fifty miles or more, and all street railway companies which have had twenty-five miles or more of track-age in operation within the State during the last preceding year. Both domestic and foreign corporations doing business within the commonwealth are included and all such companies are to be under the supervision and control of the board of railroad commissioners.

THE CUSTOMER AND THE CAPITALIST. The relation between the customer and capitalist is first taken up and the terms used carefully defined. Only the more important definitions need be repeated here.

"Standard charge" means the prevailing net charge in force in the locality on the first day of January, 1908.

"Standard dividends" means dividends equal to the net rental value of the same or like property at the prevailing local rate.

"Net rental value" means the gross rental value of the corporation's property, less fair allowances for repairs, depreciations, and insurance.

"Examination period" means the period of time covered by each examination of the corporation books. This period is to be as near six months as may be.

"Net earnings" means the earnings which remain after deducting from the gross earnings, all expenses, ordinary wages, and reserve funds, allowed by this act.

"Extra earnings" means that portion of the net earnings in excess of the standard dividends.

Standard charges and dividends, the basis for all future action, are defined and set up by the board of railroad commissioners. For each and every deduction of 1 per cent in the maximum net charge below the standard charge, the corporation may declare and pay extra dividends amounting to, but not exceeding, 2 per cent of the standard dividends for the same time. If extra earnings exceeding 10 per cent of the standard dividends accrue during any examination period, and the maximum net charge has exceeded the standard charge during that period, or any part of it, the maximum net charge for the following period is not to exceed the standard charge. All property which is owned by the corporation and used in its business, and is reasonably necessary for the proper transaction of its business within the commonwealth, but none other, is to form the basis for the board in settling the net rental value. If property without the State contributes to the earnings received from corporate services performed within the State such property is to constitute part of the corporation's property, but is to be kept separate and distinct from the corporation's property situated within the State. The possession and use of property under a lease which has twenty years or more to run before its termination, is to be deemed equivalent to ownership.

All earnings derived from property as above defined and from services performed within the commonwealth, are to form the basis in fixing the net earnings, the extra earnings, the standard dividends, the extra dividends of the stock holders, and the extra wages of the labor partners.

THE CAPITALIST AND THE WORKER. Next, the relation between the capitalist and the worker and the distribution of the net earnings between these two factors are considered. The terms used are carefully defined.

"Worker" means a person who does work of any kind, and includes every person, from the president of the corporation to the lowest manual worker.

"Labor partner" means a worker who becomes a partner under this act.

"Standard wages" means wages equal to the wages paid for the same or like services at the prevailing local rate, except as otherwise provided by the act.

"Extra wages" means the portion of the extra earnings which is the property of the labor partners.

"Ordinary dividends" means dividends not exceeding the standard dividends, payable on account of capital services, exclusive of extra dividends.

"Extra dividends" means the portion of the extra earnings which is the property of the capital partners.

During the first four months of each term of six months' operation under the act, the corporation by an instrument in writing filed with the board of railroad commissioners, must offer to enter into an industrial partnership with 20 per cent, or more, of its workers; the workers accepting the corporation's offer are to be entitled to the benefits as labor partners, beginning with the examination period next after filing their acceptance. The corporation's offer is to be repeated from term to term to different workers until 80 per cent have become, or until 90 per cent have had an opportunity to become labor partners. If at any time after 80 per cent of the workers have become labor partners, the number falls below that percentage, the corporation must repeat its offer. When this partnership is formed, the question of wages is considered, and if the ordinary wages of the labor partners are less than the standard wages, the ordinary dividends of the stockholders must, upon the petition of 10 per cent or more of the labor partners to the board, be ratably reduced below the standard dividends, unless the corporation raises the ordinary wages to the level of the standard wages.

DISTRIBUTION OF EXTRA EARNINGS. The extra earnings for each examination period are to constitute a trust fund for the benefit of the capital partners and the labor partners of each corporation, and be divided between the corporation and the labor partners in the ratio of the amount of the standard dividends to the amount of the standard wages. That portion of the extra earnings belonging to the labor partners is to be divided among them in the proportion which the amount of each labor partner's standard wages bears to the total amount of the standard wages for the examination period in question. If the extra earnings for an examination period exceed 20 per cent of the sum of the standard dividends plus the standard wages of the labor partners, that surplus or excess above 20 per cent, or a sufficient part of it, to cover any deficit in the corporation's share of the net earnings below the amount of the standard dividends which may have occurred since the corporation came under this act, is to be the property of the corporation, and may be paid out to the then stockholders as extra dividends, but if the corporation's share of the net earnings has been as much as the amount of the standard dividends since the corporation came under this act, such surplus or excess above 20 per cent is to be divided between the corporation and the labor partners in the ratio of the amount of the standard dividends to the amount of the standard wages of the labor partners for the same examination period.

The industrial partnership may be dissolved at any time, or it may be suspended for a definite or indefinite term of mutual consent without prior notice. It may also be dissolved by a notice in writing given by either party at least thirty days before the dissolution is to take effect, or if either party has a good cause, the thirty days notice is not necessary. The board of railroad commissioners may hear and decide, and upon petition by the corporation or by ten labor partners, must hear and decide, all questions relating to dissolution and notice.

POWERS AND DUTIES OF THE BOARD OF RAILROAD COMMISSIONERS. The board of railroad commissioners determines and declares what was the prevailing net charge in force in the locality on the first day of January, 1908, for each and every class or kind of corporate services, and such charge for each class or kind of corporate services is to be the standard charge. The board is also to determine and declare what is the prevailing local rate of wages for each and every class or kind of labor services performed for the corporation, and wages at such rate are to be the standard wages. The board is to have full power and authority to fix and to change the standard dividends of the stockholders to agree with the net rental value of the corporate property at the then prevailing local rate; to fix and to change the standard wages of the labor partners to agree with the then prevailing local rates; to determine the amounts of the net earnings, reserve funds and extra earnings, and to settle the portions of the extra earnings which belong respectively to the corporation and to the labor partners; to decide what has been the actual maximum net charges, and to determine the amounts and percentages of reductions below the standard charges.

REVIEW BY THE COURTS. The corporation, or ten or more customers or ten or more labor partners, who are aggrieved by any ruling of law made under this act by the board, may appeal to the supreme judicial court or to the superior court sitting in equity within and for the county in which the corporation has a usual place of business. The appeal shall be taken within thirty days after the ruling is made public by the board. Upon such appeal the court may affirm, modify or reverse any ruling of law, as law and justice may require, and may make such order as to costs as may seem proper.

Such, in some detail, are the provisions of the proposed law. In short, it proposes to place the entire control of the railroads and street railways coming under its provisions in the hands of the board of railroad commissioners, and—if the laborers are willing—to force the corporation to enter into coöperation with them.

In the first place the standard charges, dividends, and wages are set up and then, if the corporation wishes to increase its dividends, it must reduce its maximum net charges. The extra earnings, if there is a labor partnership, are to be divided between the corporation and the labor partners in the ratio of the amount of the standard dividends to the amount of the standard wages. In the end, the whole matter is to be subject to review by the court.

ROBERT ARGYLL CAMPBELL.

The French Rest Law. The French commission of labor has proposed (March 12, 1908) a modification of the rest law of July 13, 1906. The commission entertained numerous delegations of employers and workingmen.

Provision is made that no worker or employer may work more than six days a week. A new provision is that the employers and employees of any industry or any similar or related industries by mutual agreement are to choose some one of the modes of application of the seventh day rest allowed by the law. The mode may be determined according to the interest of the industry. The agreement is to cover all the employers and employees of an industry or it may be applied in a given district.

The reason for this provision is that the commission was not willing to accede to the desire of the delegations that the laws be applied between the employer and employee, because within a particular establishment the parties are not of equal strength. When the interested parties fail to choose a mode of application of the law, the public administration will determine upon a necessary measure after separate consultation with employers and employees. The boundaries of industries and districts will be fixed by ministerial orders.

J. HARDING UNDERWOOD.

Trades and Handicrafts. A referendum vote in Switzerland taken July 5, 1908, secured an amendment to the federal constitution which gives the federal government power to enact legislation relating to trades and handicrafts. Under this amendment it is expected that the federal government will take action to secure a unification of cantonal legislation relating to conditions of labor, industrial disputes, and related subjects.